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SECRET

DPD-6695-59

Contract No. SP-1919
Amendment No. 3

Lockheed Aircraft Corporation
Burbank, California

Gentlemen:

1. Reference is made to Contract No. SP-1919 entered into between The United States of America and Lockheed Aircraft Corporation, Burbank, California.

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3. Pursuant to the provisions of PART VII - PRICE REDETERMINATION the parties hereto have negotiated and agreed upon the final price for Contract No. SP-1919 which is $1,423,000.00. This price is contingent upon final audit and verification of Contractor's property and material records by Government Auditors and the following provision for Personal Property Tax Claims.

"PERSONAL PROPERTY TAX.
The final price of $1,423,000.00 under this contract reflects amounts paid or estimated to be paid on account of personal property taxes against property to which the Government acquired title by virtue of the clause of this contract entitled "Progress Payments". Such amounts are based on assessments made or expected to be made against such property to the extent of the difference on the assessment date between the book value thereof and the amount of progress payments received. The Contractor agrees to have such taxes paid in such a manner as to avoid (1) any implication that payment is being made voluntarily by a suitable statement accompanying said payment and (2) to preserve all rights of refund as directed by the Government. If the Contractor is successful in obtaining a refund of any such taxes paid or obtains any substantial favorable change in the basis upon which such assessments are made, or if any taxing

25X1 $442.00 (per [redacted] ltr 18 Nov 59)

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1-SP-1919
2-Contractor
3-Finance
4-[redacted]
5-
6-Chrono

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authority changes the basis upon which it makes such assessments so that the result would be a substantial increase or a substantial decrease in the amount of such taxes paid or estimated to be paid, it is agreed that the final prices shall be equitably adjusted. Such prices shall similarly be equitably adjusted to reflect any substantital subcontract price increases or decreases required by the terms of such subcontracts resulting from refunds or changes in the basis upon which assessments are made against property to which the Government acquired title by virtue of the article in subcontracts corresponding to the "Progress Payments" clause in this contract. The equitable adjustments provided for in this clause shall be accomplished following written request by either of the parties of this contract and shall be negotiated on the basis of data showing the amount of increase or decrease in such personal property taxes. Failure to agree upon the amount of any such adjustment shall be deemed a dispute regarding a question of fact within the meaning of the clause of this contract entitled "Disputes". Any such adjustment in such prices shall be appropriately reflected by amendment of this contract."

4. The above results in a net decrease of $855,946.00 or a new total consideration of $1,423,000.00. All other terms and conditions, as amended, remain unchanged.

5. Please indicate your receipt of this Amendment No. 3 to Contract No. SP-1919 and your acceptance thereof by executing the original and two copies of this Amendment. Return the fully executed original and one copy thereof to the undersigned and retain the remaining copy for your files.

Very truly yours,

25X1

Contracting Officer

ACKNOWLEDGED AND ACCEPTED
LOCKHEED AIRCRAFT CORPORATION

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BY

Clarence L. Johnson

TITLE Vice President

DATE 12 November 1959

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